

# Proposed Rules

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This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

## DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

#### 18 CFR Part 35

[Docket No. RM99-2-000]

#### Regional Transmission Organizations, Notice of Proposed Rulemaking

September 21, 1999.

**AGENCY:** Federal Energy Regulatory Commission.

**ACTION:** Notice of Proposed Rulemaking; Extension of Reply Comment Date.

**SUMMARY:** On May 13, 1999, the Commission issued a Notice of Proposed Rulemaking (64 FR 31390, June 10, 1999) proposing to amend its regulations under the Federal Power Act (FPA) to facilitate the formation of Regional Transmission Organizations (RTOs). The deadline for filing reply comments is being extended at the request of the Edison Electric Institute.

**DATES:** Reply comments shall be filed on or before October 6, 1999.

**ADDRESSES:** Send comments to: Office of the Secretary, Federal Energy Regulatory Commission, 888 First Street, NE, Washington, DC 20426.

**FOR FURTHER INFORMATION CONTACT:** David P. Boergers Secretary.

On August 9, 1999, the Edison Electric Institute (EEI) filed a motion for a further extension of time to file reply comments in response to the Commission's Notice of Proposed Rulemaking issued May 13, 1999, in the above-docketed proceeding. In its motion, EEI states that additional time is needed to obtain and review the large number of initial comments filed in this docket and to prepare an adequate response.

Upon consideration, notice is hereby given that further extension of time for

filing reply comments is granted to and including October 6, 1999.

**David P. Boergers,**

*Secretary.*

[FR Doc. 99-25084 Filed 9-24-99; 8:45 am]

BILLING CODE 6717-01-P

## DEPARTMENT OF THE TREASURY

### Bureau of Alcohol, Tobacco and Firearms

#### 27 CFR Parts 4 and 24

[Notice No. 881 Re: T.D. ATF-398, Notice No. 859 and Notice No. 869]

RIN 1512-AB71

#### Labeling of Hard Cider (97-2523)

**AGENCY:** Bureau of Alcohol, Tobacco and Firearms (ATF), Department of the Treasury.

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** The Bureau of Alcohol, Tobacco and Firearms (ATF) is proposing amendments to the labeling rules for hard cider. We are doing so in response to comments on our temporary rule and notice of proposed rulemaking on this subject. We are postponing the label compliance date for that temporary rule by a Treasury decision published in the Rules section of today's **Federal Register**.

**DATES:** Written comments must be received on or before November 26, 1999.

**ADDRESSES:** Address written comments to the Chief, Regulations Division, Bureau of Alcohol, Tobacco, and Firearms, P.O. Box 50221, Washington, DC 20091-0221. See the Public Participation section of this notice for ways to send comments. See the Disclosure section of this notice for the location of our Reading Room.

**FOR FURTHER INFORMATION CONTACT:** Marjorie D. Ruhf, Regulations Division, 650 Massachusetts Avenue, NW, Washington, DC 20226; (202) 927-8202; or mdruhfa@atfhq.atf.treas.gov.

#### SUPPLEMENTARY INFORMATION:

##### Background

On August 21, 1998, ATF issued a temporary rule, T.D. ATF-398 (63 FR 44779), to implement various sections of the Taxpayer Relief Act of 1997, Public Law 105-34 ("the Act"). On the same

day, ATF issued a notice of proposed rulemaking, Notice No. 859 (63 FR 44819), inviting comments on this temporary rule for a 60 day period. In response to requests from the industry, ATF reopened the comment period for an additional 30 days on November 6, 1998, by Notice No. 869 (63 FR 59921).

#### ATF's Temporary Rule on Labeling of Hard Cider

Section 908 of the Act amended the Internal Revenue Code of 1986 (IRC) to create a new excise tax category for hard cider. The temporary rule, T.D. ATF-398, implemented this section, including establishing temporary rules for labeling hard cider. We changed both the IRC and the Federal Alcohol Administration (FAA) Act labeling rules. We explained the changes this way:

Since the term "hard cider" now has tax significance, no wine may be designated as "hard cider" unless it conforms to the definition of hard cider in § 24.10 and is eligible for the tax category of hard cider. The reference to cider in the FAA [Act] labeling regulations at § 4.21(e)(5) is amended to show that the term "hard cider" is reserved for use in wine eligible for the tax category of hard cider. A new § 24.257(a)(3)(iv) has been added to the IRC wine labeling requirements for wine under 7 percent alcohol by volume to show that wine eligible for the tax category of hard cider will be marked "hard cider" rather than simply "wine" under that section.

We set a compliance date of February 17, 1999, for this change, to allow time for producers to change labels to conform with the temporary rule.

#### Basis of Our Temporary Rule

ATF (as a delegate of the Secretary of the Treasury) has general authority to issue labeling regulations under the IRC, 26 U.S.C 5368(b), which states,

Wine shall be removed in such containers \* \* \* bearing such marks and labels, evidencing compliance with this chapter, as the Secretary may by regulations prescribe.

We also have authority under the FAA Act, 27 U.S.C. 205(e), to prescribe regulations that insure that alcohol beverages are labeled or marked to " \* \* \* provide the consumer with adequate information as to the identity and quality of the products. \* \* \* "

When the new wine tax category was created and named "hard cider," we revised the IRC labeling provisions to allow hard cider to be labeled as such